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May 3, 2000

TO:

Minerals File

FROM:

Anthony A. Gallegos, Senior Reclamation Specialist All

RE:

Site Inspection, Lexco Mining Company, Cottonwood Mine, S/047/064, Uintah County,

Utah

Date of Inspection:

April 13, 2000

Time of Inspection:

1535 - 1630

Conditions: Participants:

Windy, Warm, Partly Cloudy Jim Lekas, Lexco; Tony Gallegos, DOGM

Purpose of Inspection: To examine this recently approved small mine operation which is now active

A GPS point was taken on the pad area near the Cottonwood Mine shaft #1 site. The GPS point is labeled CW1. This first shaft at the Cottonwood mine is currently being operated as underground development. A minor escape way has been created along the vein between the #1 shaft site and the future #2 shaft site. The underground workings are proceeding towards the #2 shaft location at this time.

Photographs were taken showing the metal door of the escape way in the foreground looking towards the Cottonwood #2 shaft in the distance and also toward the #1 shaft. A truck was positioned beneath the ore storage hopper at the Cottonwood #1 site.

We then drove to the Cottonwood #2 shaft site where I took a secondary GPS point, labeled CW2. They have not begun sinking the #2 shaft, but some equipment has been set up at the site. Disturbance or features at the #2 shaft site include the pad area, a head frame, a small building, some head frame parts, and a backhoe. The head frame has not yet been completely assembled. Photographs were taken of this shaft site with the Cottonwood #1 shaft site in the background.

Mr. Lekas mentioned that this was the first time they had used this method of starting out with two complete shaft sites. The usual method is to start with one main shaft and two escape shafts. This project is located on a BLM gilsonite lease. The Division currently has no concerns with the mine development activities underway at the Cottonwood Mine site.

jb

cc:

Jim Lekas, Lexco

Pete Sokolosky, BLM (U-72699)

5/047/064 - COTTONWOOD MINE - LEXCO



LADDER ESCHPENTY



#1 9HAFT SITE

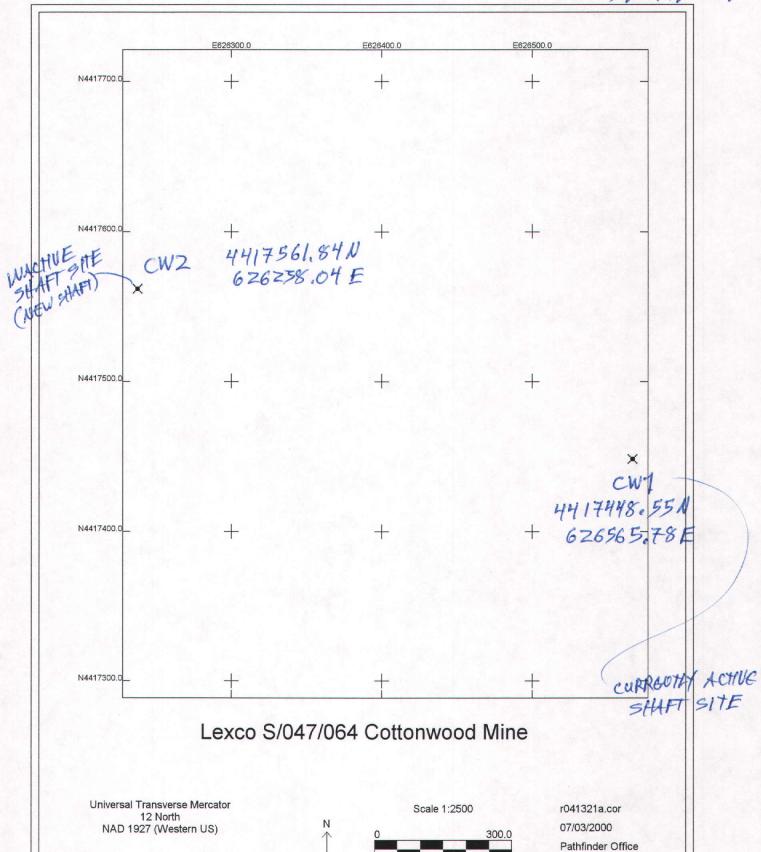




2 SHAFT SITE (#1 SHAFT IN BACKGROOMS)



Trimble



Feet